

FIRST REGULAR SESSION

[P E R F E C T E D]

SENATE BILL NO. 304

93RD GENERAL ASSEMBLY

INTRODUCED BY SENATORS RIDGEWAY AND SHIELDS.

Read 1st time February 7, 2005, and ordered printed.

Read 2nd time February 10, 2005, and referred to the Committee on Pensions, Veterans' Affairs and General Laws.

Reported from the Committee March 1, 2005, with recommendation that the bill do pass and be placed on the Consent Calendar.

Taken up March 8, 2005. Read 3rd time and placed upon its final passage; bill passed.

1040S.01P

TERRY L. SPIELER, Secretary.

AN ACT

To repeal sections 86.387 and 86.630, RSMo, and to enact in lieu thereof two new sections relating to police military leave.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 86.387 and 86.630, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 86.387 and 86.630, to read as follows:

86.387. 1. Should any member be absent by authority of the board of police commissioners in military service or should he **or she** be granted temporary leave of absence by the board of police commissioners [after the passage of sections 86.370 to 86.497,] he **or she** shall not, because of such absence, cease to be a member. [A member absent for military service shall be entitled to such credits as are permitted by section 86.430.]

2. If a member is on temporary leave of absence for one month or less, such member shall receive service credit for such time.

3. **Except as provided in subsection 4 of this section,** if a member is on temporary leave of absence for more than one month without compensation, such member shall not receive service credits for such time unless such member shall, within one year of his **or her** return from such absence, pay into the retirement system fund an amount equal to the member's contribution percentage at the time such absence began times an assumed salary figure for the period of such absence, computed by assuming that such member received a salary during his **or her** absence at the rate of the base annual salary the member

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

was receiving immediately prior to his **or her** absence.

4. Notwithstanding any other provision of sections 86.370 to 86.497, a member who is on leave of absence for military service during any portion of which leave the United States is in a state of declared war, or a compulsory draft is in effect for any of the military branches of the United States, or any units of the military reserves of the United States, including the National Guard, are mobilized for combat military operations, and who becomes entitled to reemployment rights and other employment benefits under Title 38, Chapter 43 of the U.S. Code relating to employment and reemployment rights of members of the uniformed services by meeting the requirements for such rights and benefits under section 4312 of said chapter, or the corresponding provisions of any subsequent applicable U.S. statute, shall be entitled to service credit for the time spent in such military service for all purposes of sections 86.370 to 86.497, and such member shall not be required to pay any member contributions for such time. If it becomes necessary for the years of such service to be included in the calculation of such member's compensation for any purpose, such member shall be deemed to have received the same compensation throughout such period of service as the member's base annual salary immediately prior to the commencement of such leave of absence.

86.630. 1. The years of future creditable service of an employee member shall be the number of years and months of completed membership in the retirement system up to the time of retirement during which [he] **the member** has received compensation. The years and months of creditable service prior to October 13, 1965, shall be the continuous years and months of service from the latest date of employment. When an employee has been given a leave of absence prior to October 13, 1965, because of illness or disability and at the time [he] **such employee** had reached the retirement age prescribed in sections 86.600 to 86.790, [he] **the employee** shall be entitled to retire and the number of years served by [him] **such employee** up to the time of the leave of absence are the years and months of creditable service. Whenever a member is given a leave of absence for military service and [he] **the member** returns to his **or her** employment within ninety days after his **or her** discharge from the service, [he] **the member** shall be entitled to creditable service for the years of his **or her** employment prior to the leave of absence.

2. Members who terminate membership and later return to membership may receive credit for prior service and membership service after they have been reemployed for at least two consecutive years and have repaid withdrawn contributions if an election to return to membership is made within three years of reemployment. Such repayment of withdrawn contributions shall be accompanied by additional payment of interest in the amount of the actual net yield earned or incurred by the pension fund, including both net income after expenses and net appreciation or depreciation in values of the fund, whether realized or

unrealized, during the period of time from the date upon which such contributions have been withdrawn to the date of repayment thereof, determined in accordance with such rules for valuation and accounting as may be adopted by the retirement board for such purposes.

3. Creditable service shall not include any time a member was suspended from service without pay. No contribution is required from either the member or from the city under section 86.760 for such time.

4. Any active member on August 28, 1995, who served on active duty in the armed forces of the United States and who became a member, or returned to membership, after discharge under honorable conditions, may elect, prior to retirement but in no case later than August 28, 1997, to purchase creditable service equivalent to such service in the armed forces, not to exceed two years, provided the member is not receiving and is not eligible to receive retirement credits or benefits from any other public or private retirement plan for the service to be purchased, other than a United States military service retirement system or United States Social Security benefits attributable to such military service, and an affidavit so stating is filed by the member with the retirement system. A member electing to make such purchase shall pay to the retirement system an amount equal to the actuarial value of the additional benefits attributable to the creditable service so purchased, as of the date the member elects to make such purchase. The retirement system shall determine the value using accepted actuarial methods and the same assumptions with respect to interest rates, mortality, future salary increases and all related factors used in performing the most recent regular actuarial valuation of the retirement system. Payment in full of the amount due from a member electing to purchase creditable service under this section shall be made over a period not to exceed five years, measured from the date of election, or prior to the commencement date for payment of benefits to the member from the retirement system, whichever is earlier, including interest on unpaid balances compounded annually at the interest rate assumed from time to time for actuarial valuations of the retirement system. If payment in full including interest is not made within the prescribed period, any partial payments made by the member shall be refunded, and no creditable service attributable to such election or as a result of any such partial payments shall be allowed; provided that if a benefit commencement date occurs because of the death or disability of a member who has made an election under this subsection and if the member is current in payments under an approved installment payment plan at the time of the death or disability, such election shall be valid if the member, the surviving spouse or other person entitled to benefit payments pays the entire balance of the remaining amount due, including interest to the date of such payment, within sixty days after the member's death or disability. The time of a disability shall be deemed to be the time when such member is determined by the retirement board to be totally and permanently disabled as provided in section 86.670.

5. Any individual who becomes a member of the retirement system subsequent to

August 28, 1995, and who served on active duty in the armed forces of the United States and who became a member, or returned to membership, after discharge under honorable conditions, may elect, prior to retirement but in no case later than two years after the effective date of his membership in the retirement system, to purchase creditable service equivalent to such service in the armed forces, not to exceed two years, provided the member is not receiving and is not eligible to receive retirement credits or benefits from any other public or private retirement plan for the service to be purchased, other than a United States military service retirement system or United States Social Security benefits attributable to such military service, and an affidavit so stating is filed by the member with the retirement system. A member electing to make such purchase shall pay to the retirement system an amount equal to the actuarial value of the additional benefits attributable to the additional service credit to be purchased, as of the date the member elects to make the purchase. The retirement system shall determine such value using accepted actuarial methods and the same assumptions with respect to interest rates, mortality, future salary increases and all related factors used in performing the most recent regular actuarial valuation of the retirement system. Payment in full of the amount due from a member electing to purchase creditable service under this section shall be made over a period not to exceed five years, measured from the date of election, or prior to the commencement date for payment of benefits to the member from the retirement system, whichever is earlier, including interest on unpaid balances compounded annually at the interest rate assumed from time to time for actuarial valuations of the retirement system. If payment in full including interest is not made within the prescribed time period, any partial payments made by the member shall be refunded, and no creditable service attributable to such election, or as a result of any such partial payments, shall be allowed; provided that if a benefit commencement date occurs because of the death or disability of a member who has made an election under this section and if the member is current in payments at the time of death or disability, under an approved installment plan, such election shall be valid if the member, the surviving spouse or other person entitled to benefit payments shall pay the entire balance of remaining amount due, including interest to the date of such payment, within sixty days after the member's death or disability. The time of a disability shall be deemed to be the time when such member is determined by the retirement board to be totally and permanently disabled as provided in section 86.670.

6. Notwithstanding any other provision of sections 86.600 to 86.790, a member who is on leave of absence for military service during any portion of which leave the United States is in a state of declared war, or a compulsory draft is in effect for any of the military branches of the United States, or any units of the military reserves of the United States, including the National Guard, are mobilized for combat military operations, and who becomes entitled to reemployment rights

and other employment benefits under Title 38, Chapter 43 of the U.S. Code relating to employment and reemployment rights of members of the uniformed services by meeting the requirements for such rights and benefits under section 4312 of said chapter, or the corresponding provisions of any subsequent applicable U.S. statute, shall be entitled to service credit for the time spent in such military service for all purposes of sections 86.600 to 86.790, and such member shall not be required to pay any member contributions for such time. If it becomes necessary for the years of such service to be included in the calculation of such member's compensation for any purpose, such member shall be deemed to have received the same compensation throughout such period of service as the member's base annual salary immediately prior to the commencement of such leave of absence.

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